

Determining Fees for Vehicles Sold at Lien Sale

New Information

The “Determining Fees” chart in the *Vehicle Industry Registration Procedures Manual* Chapter 18 is being revised. Sections have been modified for clarity and new sections have been added to help determine what fees and penalties are due.

Procedures

Follow the chart below to determine the registration fees due for a vehicle sold at lien sale:

<i>If the vehicle...</i>	<i>and...</i>	<i>then...</i>
is currently registered,	the expiration is within 30 days,	renewal or planned non-operation (PNO) fee must be collected.
	the expiration date is within the next 31-75 days,	renewal or PNO fees may be collected.
has a current PNO status and is to be operated,	N/A	renewal fees are due and must be paid within 20 days of the sale date to avoid penalties.
registration expired before going into the lienholder's possession,	no additional renewal fees/penalties have become due,	renewal fees and penalties are due from the last expiration date.
registration expired while in the possession of the lienholder,	the lienholder operates a tow service or storage garage (which is not a repair facility),	renewal or PNO fees are due and must be paid within 20 days of the sale date to avoid penalties.
	the lienholder does not operate a storage garage or tow service,	renewal fees and penalties are due from the last expiration date.

Procedures, continued

<i>If the vehicle...</i>	<i>and...</i>	<i>then...</i>
registration expired before going into the lienholder's possession and while in the lienholder's possession additional registration year(s) became due,	the lienholder operates a tow service or storage garage (which is not a repair facility),	renewal fees and penalties that became due prior to entering the lienholder's possession are due. In addition, the current renewal or PNO fees are due and must be paid within 20 days of the sale date to avoid penalties for the current renewal period. NOTE: Any renewal period that became due while in the lienholder's possession is not due, unless the vehicle is being registered during the current renewal period.
	the lienholder does not operate a storage garage or tow service,	renewal fees and penalties are due from the last expiration date.
was last registered in another state,	N/A	fees become due on the date of first known operation (usually the date the vehicle entered the lienholder's possession) and must be paid within 20 days of becoming due to avoid penalties.
registration date and/or jurisdiction is unknown,	N/A	fees become due on the date the vehicle entered the lienholder's possession and must be paid within 20 days of becoming due to avoid penalties. EXCEPTION: Public agency impounded vehicles are assessed fees from the first known date of operation after the sale (<i>California Vehicle Code</i> §4000(e)).
was sold at lien sale,	N/A	use tax is due and the vehicle must be reclassified.

Procedures, continued

<i>If the vehicle...</i>	<i>and...</i>	<i>then...</i>
was retained by and is being registered to the lienholder,	N/A	use tax and reclassification are based on the total billing and cost shown on line 2 of the Accounting of the Lien Sale and Proceeds section of the Certification of Lien Sale for Vehicle Valued Over \$4000 or from a Self-Service Storage Facility (REG 168) form, or the Auction Sale and Proceeds section of the Certification of Lien Sale for Vehicle Valued 4,000 or Less (REG 168A) form. A single transfer fee is due.
is being registered in the name of the person who bought the vehicle at auction,	N/A	use tax and reclassification is based upon the value shown on a bill of sale to the purchaser or the cost shown on line 1 of the Accounting of the Lien Sale and Proceeds section of the REG 168 or the Auction Sale and Proceeds section of the REG 168A. A single transfer fee is due.
was not sold the day of the lien sale, and the lienholder sold the vehicle at a later date,	N/A	two transfer fees are due. NOTE: A transfer fee is due for each additional transfer.
NOTE: The 10-day redemption period required for vehicles valued over \$4000 applies towards the 20-day calculation for payment of fees (count 20 days from the sale date).		

Background

The policy to determine what registration renewal fees and penalties are due on lien sale vehicles was confusing. The revised chart has been modified and includes new information for vehicles with multiple years of fees/penalties and transfers.

References

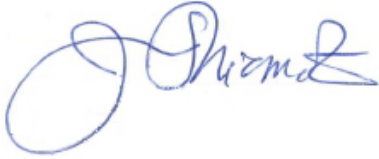
Vehicle Industry Registration Procedures Manual Chapter 18
California Vehicle Code §§9800, 38247, 4604, and 22851

Distribution

Notification that this memo is available online, at www.dmv.ca.gov under Publications was made via California DMVs Automated E-mail Alert System in November 2011.

Contact

Call the DMV Customer Communications Section, at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.

A handwritten signature in blue ink, appearing to read "J Shiimoto". The signature is stylized with a large loop at the beginning and a cursive script.

JEAN SHIOMOTO, Deputy Director
Communication Programs Division